

Name of Sub-Committee:	Capital Sub-Committee
Chair of Sub-Committee:	Chair – Lee Davies, Director of Strategic Development and Operational Planning
Reporting Period:	February 2022 – April 2022
Key Decisions and Matters Considered by the Sub-Committee:	
<p>Capital Sub-Committee Annual Report 2021/22</p> <p>The draft Capital Sub-Committee Annual Report 2021/22 was presented for review and comment prior to its submission to SDODC.</p> <p>The Sub-Committee noted the contents of the Capital Sub-Committee Annual Report 2021/22 and endorsed it for onward submission to SDODC subject to the need to reference the importance of ‘patient care’ in capital prioritisation within the report.</p> <p>Capital Resource Limit (CRL): The following key matters were discussed:</p> <p><u>Capital Resource Limit 2021/22:</u> The CRL for 2021/22 has been issued with the following allocations: £53.823m - All-Wales Capital Programme £7.159m – Discretionary Programme (gross allocation) (£0.150m) - Less I2S repayment £0.455m – Disposals proceeds £61.530m – Total CRL</p> <p>The following additions have been made to the CRL since the last report:</p> <ul style="list-style-type: none"> • £0.203m Eye Care Equipment. • £1.297m Digital Funding. • £0.646m Additional Imaging Equipment. • £0.350m Additional end of year funding. £2.496m Total <p>At the time of the meeting, it was reported that there was a balance of £1.7m to spend to achieve the CRL for 2021/22. Assurance had been provided by all relevant parties that the remaining expenditure would be incurred by the end of March 2022.</p> <p>It was highlighted that there is a potential risk that next year’s DCP could be impacted with schemes that have underspent in 2021/22, leading to a spend requirement in 2022/23. An assessment of the situation will be made once the financial position has been finalised, however appropriate measures are being taken to mitigate the risk.</p> <p><u>International Financial Reporting Standard (IFRS) 16 – Accounting for leases</u> The Sub-Committee were advised of a new accounting standard, IFRS 16. Accounting for leases is changing from 1st April 2022 and as a result, the majority of leased assets will be capitalised with only low value and short term leases being exempt. Guidance has been issued by Welsh</p>	

Government (WG), although a governance process and transparent messaging around the additional governance requirements will be required.

Capital Programme 2021/22:

It was noted that weekly monitoring arrangements are in place to track the deliverability of all projects within the Programme for 2021/22.

Capital Programme 2022/23

- It was reported that the closing position for 2021/22 has not yet been finalised and there remains a risk that slippage on 2021/22 projects could adversely impact on the DCP for 2022/23.
- Additional posts for the discretionary estates team have been approved to progress schemes and ensure projects are prepared in advance to exploit any additional capital allocations in-year. The Capital Planning Group will agree the priority schemes for progression. It was noted that schemes on the priority list are being reviewed to identify any that are no longer required and check that the scoring reflects the current position.

The Sub-Committee noted the following:

- The Capital Resource Limit (CRL) for 2021/22.
- The financial risks currently being managed.
- The endorsed Discretionary Capital Programme for 2022/23.

Capital Governance – Project Highlight Reports

The Sub-Committee noted the capital project highlight reports, noting the projects with red and amber RAG status.

Red RAG status	Amber RAG rating
<ul style="list-style-type: none"> • Cross Hands Health Centre • Women & Children’s Phase II • Fire Enforcement Work Withybush General Hospital (WGH) 	<ul style="list-style-type: none"> • Carmarthen Hwb • Transforming Mental Health • Aseptics • Aberystwyth Integrated Care Centre • Welsh Community Care Information Solution (WCCIS) • Fire Enforcement Work Glangwili General Hospital (GGH)

The Sub-Committee noted the content of the report, in particular those projects currently reporting a red RAG status or a significant increase in RAG status since January 2022.

Risk and Audit Report

- The Sub Committee were presented with a draft revised process for audit and risk reporting.
- Key points for the revised draft process included:
- Progress of recommendations relating to audits associated with capital projects only will be reported to the CSC.
- Assurance on progress of Mid and West Wales Fire and Rescue Service letters will be reported through the Health and Safety Committee.

- Assurance will be reported to CSC of the management oversight of risks that have identified Capital as a theme.
- Risks assigned to CSC at Directorate level and above tolerance, as agreed by Board, will continue to be reported to the CSC.
- Deputy Director of Operations, Director of Estates, Facilities & Capital Management and Digital Director to advise to CSC of risks that will be addressed through their Capital allocation, as well as those risks for which Capital funding will not be provided.

The Sub-Committee noted the contents of the report and endorsed the revised process as outlined in the paper.

WG Dashboards Reports

The Sub-Committee received Month 10 dashboards submitted in February 2022 with just one slightly delayed report for WGH Fire Phase 1. The delay was due to the requirement to include additional information on the overboarding costs and contingencies. WG were fully aware of the delay.

The Sub-Committee noted the contents of the Dashboard reports.

Estates Advisory Board Funding Tracker

The following key points were highlighted to the Sub-Committee:

- There is no WG Estates Funding Advisory Board (EFAB) funding in 2022/23 and therefore no further Tracker reports are anticipated.
- The following projects are now complete – GGH Vacuum Insulated Evaporator, GGH and Bronglais General Hospital (BGH) Uninterrupted Power Supply Battery replacement projects, BGH Lift Replacement Scheme and WGH Air Handling Unit Replacement Scheme.
- The 2021/22 expenditure has been amended for a few schemes –
 - BGH fire - £125k of funding will be cash managed via the DCP into 2022/23 to enable scheme completion in May 2022.
 - Hafan Derwen Solar Farm - 50% of the funding has been moved by WG to 2022/23.
 - Electric Vehicles - £208k of funding will be cash managed via the DCP into 2022/23 to cover the delay to the delivery of the vehicles.
- Programme dates have changed for some schemes, however the expenditure planned for 2021/22 is still expected to be delivered and the projects are currently low risk.

It was also noted that a Lessons Learnt exercise is currently being undertaken; this is key to ensure schemes are prepared in readiness for any funding that may become available at short notice.

Capital Governance Review Action Tracker

The Sub Committee were presented with the Capital Governance Review Action Tracker with key points to note as follows:

- A Project Management Framework and Capital Guidance Document has been developed. These provide assurance that we are delivering against the recommendations of the review. These will remain live documents and will be updated and amended as appropriate.
- There are two recommendations outstanding:
 - Delegated capital approval limits – this is due for completion in May 2022.
 - Internal scrutiny process for business cases prior to submission to the Capital Sub-Committee for approval – this is in progress and is for future discussion by the Executive Team.

The Sub-Committee noted the contents of the report and the significant progress being made to deliver against the actions listed in the management response to the Capital Governance Review. The Sub-Committee also endorsed the Project Management Framework, noting that the document will be continuously reviewed and updated as appropriate.

A Healthier Mid & West Wales (AHMWW) – Programme Business Case Update

The Sub-Committee noted the AHMWW update report including the following:

- The minor changes made to the PBC between January 2022 Board approval and submission to WG on 2 February 2022.
- Scrutiny comments were received from WG on 25th March 2022.
- The process outlined for the work to establish the membership of the Shortlist Technical Appraisal Group, the work to recommend the evaluation criteria, and the methodology recommended by the Consultation Institute for the scoring of criteria and shortlisted site options
- The current scope and methodology for the clinical evaluation
- The establishment of the Workforce and Financial/Economic appraisal workstreams under Executive Director leadership reporting to the AHMWW Programme Group.
- The further discussions required with WG to ensure all expected elements of appraisal are conducted and particularly to ensure the financial/economic appraisal expectations are understood.
- That Health and Equalities and Socio-Economic impact assessments are integral to the appraisal workstreams.
- The appointment of consultancies via Direct Award to undertake the technical appraisal work to inform the land selection process to the value of £0.796m

Post Project Evaluation & Lessons Learnt

The key points of the BGH Front of House Post Project Evaluation and Project Closure Report were presented.

The Sub-Committee noted that a robust analysis of the project was undertaken to inform the closure report to determine:

- The realisation of expected benefit outcomes.
- That lessons learnt have been captured and will feed into the Capital Planning Project Framework to aid the successful delivery of similar future projects.
- That outstanding audit recommendations have been completed.
- The management of any outstanding project risks.

Cardigan Integrated Care Centre – Gateway 5

The Sub Committee received a report summarising the findings of the Cardigan Integrated Care Centre (CICC) Gateway 5 review which was held at CICC between 8th and 10th March 2022.

Key points of note reported were:

- The overall delivery confidence assessment has been rated amber/green, this represents an excellent outcome from a Gateway report for the Health Board.
- The report commends the quality of the finished building, the strong leadership that has influenced innovation and the positive atmosphere in the building.
- The next steps will involve the development of an action plan to detail how the recommendations and broader opportunities listed in the report can be addressed.

Members of the Sub-Committee noted the following:

- The contents of the report and the assurance from the Gateway 5 process that CICC has been a successful scheme that will give rich learning to future community schemes.
- Capital Planning will work with the Project Director to develop an action plan to address the report recommendations

Infrastructure & Investment Plan Update

A progress update for the Infrastructure Investment Enabling Plan for 2022/25 was provided. Key points to note were:

- Amendments have been made to reflect the changes made to the discretionary programme based on the reduction in the capital allocation.
- A section has been added to reflect the request by WG to submit information to populate an NHS Wales 10-Year Infrastructure Plan.
- The document is ready for submission to WG, subject to a discussion around the contents of the NHS 10-year Infrastructure Plan. The deadline for submission is 31st March 2022.

Matters Requiring Strategic Development and Operational Delivery Committee Level Consideration or Approval:

All other key capital matters are included in the separate DCP update reports on the SDODC agenda.

Risks / Matters of Concern:

It was highlighted that there is a potential risk that next year's DCP will be impacted with schemes that have underspent in 2021/22, leading to a spend requirement in 2022/23. An assessment of the situation will be made once the financial position has been finalised, however appropriate measures are being taken to mitigate the risk.

Capital Programme 2022/23

It was reported that the closing position for 2021/22 has not yet been finalised and there remains a risk that slippage on 2021/22 projects could adversely impact on the DCP for 2022/23.

Planned Sub-Committee Business for the Next Reporting Period:

Future Reporting:

- Audit Recommendation Update Report
- Operational and strategic issues:
 - DCP Update
 - Dashboard Report
 - Estates Advisory Board Funding Tracker.
 - Fire Schemes Update
 - Sub-Committee Workplan 22/23
- Capital Planning Developments
 - A Healthier Mid and West Wales PBC Update
 - Post Project Evaluation and Lessons Learnt
 - Integrated Care Fund (ICF) Update
 - Arts in Health

Date of Next Meeting:

Tuesday 24th May 2022 at 2pm

PWYLLGOR DATBLYGU STRATEGOL A CHYFLENWI GWEITHREDOL STRATEGIC DEVELOPMENT AND OPERATIONAL DELIVERY COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	28 April 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Capital Sub-Committee Annual Report 2021/22
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Strategic Development & Operational Planning Director
SWYDDOG ADRODD: REPORTING OFFICER:	Paul Williams, Assistant Director of Strategic Planning & Development

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

The purpose of this paper is to present the Capital Sub-Committee Annual Report for 2021/22 to the Strategic Development and Operational Delivery Committee (SDODC).

The Capital Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2021/22 and outlines the main achievements that have contributed to robust integrated governance across the University Health Board (UHB).

The Capital Sub-Committee can assure SDODC that it has operated within its Terms of Reference and that all meetings have been quorate. The Sub-Committee provides detailed assurance reports to SDODC following each of these meetings, which can be found on the Committee webpage.

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the Capital Sub-Committee require the submission of an Annual Report to the SDODC and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to:

- Oversee the delivery of the Health Board's capital programmes and projects included in the planning cycle (in year and longer term.)
- Recommend to the Board, via the SDODC, the use of the Health Board's Capital Resource Limit (CRL) in line with the Health Board's financial scheme of delegation.
- Review, on an annual basis, the Discretionary Capital Programme (DCP) programme for the following financial year.

- Ensure investments ultimately benefit patient care and or address deficiencies in patient care.
- Oversee the development of the Estates Strategy and Infrastructure Investment Enabling Plan aligned to the A Healthier Mid and West Wales Strategy for consideration by SDODC, prior to Board approval.
- Oversee the development and delivery of implementation plans for the Estates Strategy agreeing corrective actions where necessary and monitoring its effectiveness.

The Annual Report 2021/22 specifically comments on the key issues considered by the Sub-Committee in terms of capital strategy, planning and monitoring, and the adequacy of the governance and control measures in place. The Annual Report was drafted for discussion at the March 2022 meeting of the Capital Sub Committee and this final report reflects that discussion.

Asesiad / Assessment

The Capital Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the SDODC in July 2021.

The terms of reference of the Capital Sub-Committee were reviewed by the Sub-Committee in November 2021 and January 2022, and approved by SDODC in February 2022.

These terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the SDODC around the organisation's Capital Strategy, ensuring that there is an accurate reflection of planning, governance, and monitoring to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the Capital Planning agenda for the SDODC in respect of its provision of advice to the Board, and ensure the implementation of the Capital agenda against the following areas of responsibility:

- Develop recommendations to the Board, via the SDODC and Executive Team, on the use of the Health Board's Capital Resource Limit (CRL), for approval.
- Develop prioritised recommendations for discretionary capital sums and All Wales Capital Schemes and receive investment proposals, in response to an assessment of the organisation's risks, deficiencies in patient care, the Health Board's A Healthier Mid and West Wales Strategy (including delivery plans) and vision for healthcare, its strategic objectives, performance and financial improvement.
- Provide a co-ordinated approach to overseeing delivery of the Health Board's capital programmes and projects included in the planning cycle (in year and longer term) enabling the Health Board to understand the overall delivery commitments and risks and proposing changes as appropriate.
- Provide assurance that capital projects are managed and governed in accordance with mandatory requirements, best practice and the latest Welsh Government (WG) capital guidance, ensuring that revenue consequences associated with capital projects are explicit at project scoping stage.
- Provide assurance around the effective management of the Health Board's CRL, ensuring expenditure is in line with Standing Orders and within the agreed programme.

- Scrutinise and quality assure major capital business cases prior to submission to SDODC including those developed in partnership with other organisations such as, Local Authorities, GP partners and Third Sector organisations.
- Ensure a robust disposal policy for redundant estate is in place.
- Consider options for the acquisition or disposal of estate and agree recommendations for the Board, via the SDODC.
- Review and recommend the appropriate delegated limits for capital expenditure authorisation and authorisation for other funding sources.
- Make recommendations on capital expenditure in relation to IM&T, medical & non-medical equipment, estates statutory and infrastructure, contingencies, and other provisions.
- Ensure arrangements are in place to assess and deliver benefits (including patient benefits) of the capital received. Provide assurance to SDODC that risks associated with capital investment for estates, medical and non-medical equipment and IM&T services are being effectively managed across the whole of the Health Board's activities (including for hosted services and through partnerships and Joint Committees as appropriate)
- Agree the Annual Capital Audit Plan and monitor action against recommendations contained within audit reports issued by Capital Audit.
- To receive regular progress updates on the Integrated Care Fund (ICF) Capital bids and schemes being progressed
- Agree issues to be escalated to SDODC with recommendations for action.
- Agree an annual work plan for the Sub-Committee for review and approval by SDODC.

Capital Sub-Committee Groups

The Groups reporting to the Capital Sub-Committee during 2021/22 from which the Sub-Committee received an update were as follows:

Capital Planning Group – established to:

- Provide assurance to the Capital Sub Committee around the development of the DCP.
- Ensure robust processes are in place for the prioritisation of capital bids in line with the Health Board's risk management processes and strategic objectives.
- Receive and review the monthly Dashboard reports linked to All Wales Capital Programme (AWCP) funded projects approved by Project Directors and submitted to WG (these also form part of the Capital Review Meeting (CRM) agenda).

Capital Monitoring Forum – established to:

- Provide assurance to the Capital Sub Committee around the management and monitoring of the delivery of the capital investment programme and Capital Resource Limit.

- Keep the Capital Planning Group informed of progress on the delivery of the Capital Programmes and variances on expenditure/timescales which require attention.

In addition to the above, the work undertaken by the following groups is received in the form of update reports and minutes presented to the Capital Sub-Committee.

Capital Review Meetings – bi-monthly meetings held between the Health Board and WG’s Capital Division to discuss all capital related issues. The minutes of these meetings are circulated to the Capital Sub-Committee.

Capital Project Groups - Each capital project is managed by a Project Group led by an appointed Executive Lead (Senior Responsible Officer) and Service Lead (Project Director). Bi-monthly project highlight reports are received by the Capital Sub-Committee which report on project risks and progress and escalated to the SDODC. The report provides a RAG rating for each project; SDODC receive a summary position on all red RAG rated projects and those which report an amber RAG rating for two consecutive months or more.

Where appropriate for the scheme value/programme, a Sub-Group will meet prior to the Project Group to go through the detail of the financial status of the project chaired by the Finance Lead. This Sub-Group will then present a highlight report to the main Project Group. For All Wales Capital Planning, dashboards are submitted to WG in addition to the Capital Sub-Committee.

Constitution

From the terms of reference approved at the SDODC meeting in February 2022, the membership of the Sub-Committee was agreed as follows:

Director of Strategic Development and Operational Planning (Chair)
 Assistant Director of Strategic Planning and Development (Sub-Committee Lead and Deputy Chair)
 Independent Member
 Director of Estates, Facilities and Capital Management
 Assistant Director of Nursing, Infection, Prevention and Control
 Senior Business Partner (Finance) (delegated on behalf of the Director of Finance)
 Head of Facilities Information and Capital Management
 Assistant Director of Operations
 Assistant Director, Medical Directorate (delegated on behalf of the Medical Director)
 Digital Director
 Assistant Director of Primary Care
 Head of Governance and Assurance
 Head of Procurement
 Head of Capital Planning
 Director of Mental Health and Learning Disabilities
 County Director – Carmarthenshire
 County Director – Ceredigion
 County Director – Pembrokeshire
 Head of Radiology
 General Manager, Women and Children’s Directorate
 Head of Pathology
 Assistant Director of Therapies & Health Lead

In attendance:

Head of Capital Audit (three times a year / tri annual)
 Capital Programme Manager, Capital Planning

Project Manager, Capital Planning
Head of Property Performance

Meetings

During 2021/2022, the Sub-Committee met on 6 occasions and was quorate at all meetings:

24th May 2021

21st July 2021

29th September 2021

25th November 2021

27th January 2022

29th March 2022

As the Capital Sub-Committee is directly accountable to the SDODC for its performance, following each meeting it provides an assurance to the Committee through a formal written update report which is received at the subsequent Committee meeting.

Sub-Committee Terms of Reference and Principal Duties

In discharging its duties, the Capital Sub-Committee has undertaken work during 2021/22 against the following areas of responsibility in relation to its terms of reference:

Governance

Sub-Committee Terms of Reference – revisions to the Terms of Reference for the Capital Sub-Committee (including an amendment to its title from Capital, Estates and IM&T Sub-Committee) were agreed at its meeting in January 2022 and approved by SDODC in February 2022..

Capital Schemes

The Sub-Committee has and continues to oversee and report on the delivery and continued progression of a significant number of capital projects that have been subject to risk based highlight reporting to the Sub-Committee during the year:

- Bronglais General Hospital (BGH), Chemotherapy Day Unit
- Aberystwyth Integrated Care Centre
- Cylch Caron Integrated Care Project
- Carmarthen Hwb
- Cross Hands Health and Wellbeing Centre
- Fishguard Health Centre
- Llandovery Health and Wellbeing Hub
- Major Infrastructure Programme, Health Board wide
- Transforming Mental Health: Acute Inpatient Re-design, Health Board wide
- Welsh Community Care Information Solution (WCCIS) Project
- Women & Children's Phase 2, Glangwili General Hospital (GGH)
- Fire Enforcement Work Withybush General Hospital (WGH)
- Aseptics
- Fire Enforcement Work GGH
- Prince Philip Hospital (PPH) Modular Theatres
- Diagnostic Imaging, CT Scanner GGH, CT Scanner WGH
- Implementation of A Healthier Mid and West Wales (AHMWW), Programme Business Case
- Integrated Primary and Community Development, Neyland
- Medical & Non Medical Equipment Replacement. Health Board wide

- Regional Cellular Pathology services

Capital – Discretionary Capital Programme (DCP)

Reports recommending prioritisation have been submitted to SDODC as well as reports monitoring expenditure against the CRL. The year started with a DCP of £7.421m, with an additional allocation bringing it up to £8.875m for the year.

It is acknowledged that capital resource remains insufficient to manage all the backlog pressures. To help address this, there have been the following key pieces of work:

- Development of Estates Major Infrastructure Draft Programme Business Case (PBC)
- Continued dialogue with WG on the IM&T PBC
- Medical Devices Inventory Report

During the year, a prioritisation matrix has been developed and used to allocate an element of the UHB's discretionary allocation. The scoring methodology includes a significant weighting for schemes, which resolve safety issue for patients, staff or the public.

Annual Plan 2020/21 – Enabling Plans

As part of the planning cycle, the Capital Sub-Committee has discharged its duty to oversee the development of enabling plans as follows:

- Capital Enabling Plan – Infrastructure and Investment

Capital Audit

A quarterly report is presented to the Capital Sub-Committee to provide an update on progress made with regard to recommendations received from NHS Wales Shared Services Partnership (NWSSP)- Audit and Assurance Services in respect of a number of the audit reports undertaken on capital projects. A capital audit tracker has been developed to ensure that the Sub-Committee oversees the capital audit process in terms of the monitoring of actions against recommendations included in each audit report.

Risk

The Terms of Reference state the Sub-Committee will 'provide assurance to SDODC that estates and IM&T services are safe and sustainable and that all risks associated with capital investment are being effectively managed across the whole of the Health Board's activities (including for hosted services and through partnerships and Joint Committees as appropriate)'. During 2021/22, the Sub-Committee received updates to the risk management process and reviewed directorate level risks aligned to the Sub-Committee that exceeded the UHB's agreed risk tolerance.

The Sub-Committee also received themed risk registers for 'capital', 'estates/environment' and 'IM&T' which captured all risks where there were planned actions related to current or future capital requirements. Further work is being undertaken to review and validate these against the capital bid process and the prioritisation lists for DCP allocation. No significant unknown risks have been identified to date.

Post Project Evaluation and Lessons Learnt

The Sub-Committee received Post Project Evaluations (PPEs), which included outputs of evaluations for the following schemes:

Women and Children Phase II GGH- (reported to CSC July 2021)
Ward 9/10 WGH – (reported to CSC September 2021)

Cardigan Integrated Care Centre – (reported to CSC, November 2021)
Front of House BGH– (reported to CSC, March, 2022)

All of the major schemes undertaken by the Health Board will consider the planned benefits of the investment for staff and patients at the outset. The evaluations undertaken during the year have considered the planned and unintended patient and staff benefits of the investment made.

Other Areas of Responsibility

During 2021/22, the Sub Committee also received and considered the following agenda items:

- A Healthier Mid and West Wales Programme Business Case
- Backlog Audit Updates
- Estate Backlog Audits
- PPH land options
- ISO14001
- Decarbonisation
- Strategic Medical Device Replacement
- GGH Fire Enforcement BJC
- Diagnostic Imaging Updates
- ICF Capital

Key Risks and Issues/Matters of Concern

During 2021/22, the following key risks and issues/matters of concern were raised to the SDODC:

- **Capital Resource Limit and Discretionary Capital Allocations 2021/22** - despite notification of a non-recurring uplift to the Discretionary Capital allocation in 2021/22, the capital allocation will remain insufficient to provide the SDODC with full assurance on the management of infrastructure and backlog risks. The DCP for 2022/2023 is also further reduced and will place further pressure on addressing backlog issues.
- **Capital Projects** – to note those capital projects reporting a high risk assessment guideline status and the work underway to mitigate risks. As at March 2022, the red risk projects were Women & Children’s Phase 2, Cross Hands Health and Wellbeing Centre, and Fire Enforcement Work (WGH), which subject to further monitoring by the Capital Sub-Committee.

Matters Requiring SDODC Consideration or Approval

During 2021/22, the following matters requiring SDODC consideration or approval were raised:

- **Capital Resource Limit and Discretionary Capital Allocations 2021/22:** The capital allocation remains insufficient to provide SDODC with full assurance on the management of infrastructure and backlog risks for the 2021/22 year.
- **Capital Projects:** To note the capital projects included in reports currently reporting a high risk.
- **Financial risks** - associated with capital schemes including PPH modular theatre build and the Women & Children schemes.
- **Revised Terms of Reference** - To approve the revised Terms of Reference for the proposed Capital Sub-Committee.

- **Capital Programme 2022/23** - allocation has been reduced by £1.775m to £5.645m. The reduction will have a significant impact on the investments that can be made in key areas for 2022/23. Environmental Financial Advisory Board (EFAB) funding for 2021/22 will not be continued in 2022/23. However, WG anticipate reinstating the fund for 2023/24.

Capital Sub-Committee Developments for 2022/23

The following developments are planned for the Capital Sub-Committee during 2022/23:

- Further development of a project management framework
- Updating capital governance and maintaining progress on the actions required as a result of the capital governance review
- Maintaining progress on project evaluations and lessons learnt reviews
- Progressing projects as part of AHMWW PBC including maintenance of governance around the programme and responding to scrutiny comments. Progressing with the land process for the new urgent and planned care hospital.
- Ensuring that the Health Board is maximising opportunities being made available through the Housing with Care Fund (HCF) and the Health and Social Care Integration and Rebalancing Capital Fund.

Argymhelliad / Recommendation

The Strategic Development and Operational Delivery Committee is requested to approve the Capital Sub-Committee Annual Report 2021/22.

Amcanion: (rhaid cwblhau)	
Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Capital, Estates, and IM&T Sub-Committee and Capital Sub-Committee. Sub-Committee Update reports for SDODC
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cynllunio Busnes a Sicrhau Perfformiad: Parties / Committees consulted prior to SDODC	Capital, Estates, and IM&T Sub-Committee Capital Sub-Committee.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced within the Capital Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.
Cyfreithiol: Legal:	A sound system of internal control, as evidenced in the Capital Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Capital Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Strategic Development & Operational Delivery Committee
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	SBAR template in use for all relevant papers and reports.